
HOUSE BILL No. 1122

DIGEST OF INTRODUCED BILL

Citations Affected: IC 24-5-26.

Synopsis: Gift cards. Provides that a person may not issue a gift card that is subject to an expiration date or a fee.

Effective: July 1, 2009.

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January 8, 2009, read first time and referred to Committee on Commerce, Energy, Technology and Utilities.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

HOUSE BILL No. 1122

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 24-5-26 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2009]:

4 Chapter 26. Gift Cards

5 Sec. 1. (a) As used in this chapter, "gift card" means a record
6 evidencing a promise, made for consideration, by the seller or
7 issuer of the record that goods or services will be provided to the
8 holder of the record for the value shown in the record.

9 (b) The term includes the following:

10 (1) A gift certificate.

11 (2) A stored value card or certificate.

12 (3) An online gift account.

13 (c) The term does not include a prepaid calling card used to
14 make telephone calls.

15 Sec. 2. As used in this chapter, "person" means an individual, a
16 corporation, the state or its subdivisions or agencies, a business
17 trust, an estate, a trust, a partnership, an association, a



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cooperative, or any other legal entity.

Sec. 3. (a) Except as provided in this section, this chapter applies to gift cards that are issued after June 30, 2009.

(b) Section 4 of this chapter does not apply to the following:

(1) A gift card issued without consideration by a person under an awards, loyalty, or promotional program.

(2) A gift card issued by a financial institution (as defined in IC 22-2-4-1).

(3) A gift card issued for less than face value to:

(A) an employer;

(B) a charitable organization exempt from federal taxation under Section 501 of the Internal Revenue Code; or

(C) a nonprofit organization.

(4) A gift card that is sold by:

(A) a charitable organization exempt from federal taxation under Section 501 of the Internal Revenue Code; or

(B) a nonprofit organization.

(5) A gift card that an employer issues to an employee in recognition of services performed by the employee.

Sec. 4. (a) A person may not issue a gift card that is subject to:

(1) an expiration date; or

(2) a fee, including a service fee, maintenance fee, dormancy charge, or inactivity charge.

(b) A gift card may be subject to an initial fee at the time the gift card is issued.

Sec. 5. A provision in an agreement creating a gift card that conflicts with this chapter is void.

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